#### SECOND REGULAR SESSION

### [PERFECTED]

### HOUSE COMMITTEE SUBSTITUTE FOR

# **HOUSE BILL NO. 1150**

## 96TH GENERAL ASSEMBLY

4966L.02P

D. ADAM CRUMBLISS, Chief Clerk

### AN ACT

To repeal section 301.190, RSMo, and to enact in lieu thereof two new sections relating to the vehicle examination process used for the issuance of prior salvage motor vehicle titles.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Section 301.190, RSMo, is repealed and two new sections enacted in lieu thereof, to be known as sections 301.190 and 301.194, to read as follows:

301.190. 1. No certificate of registration of any motor vehicle or trailer, or number plate therefor, shall be issued by the director of revenue unless the applicant therefor shall make 2 application for and be granted a certificate of ownership of such motor vehicle or trailer, or shall present satisfactory evidence that such certificate has been previously issued to the applicant for such motor vehicle or trailer. Application shall be made within thirty days after the applicant 6 acquires the motor vehicle or trailer upon a blank form furnished by the director of revenue and 7 shall contain the applicant's identification number, a full description of the motor vehicle or trailer, the vehicle identification number, and the mileage registered on the odometer at the time of transfer of ownership, as required by section 407.536, together with a statement of the applicant's source of title and of any liens or encumbrances on the motor vehicle or trailer, provided that for good cause shown the director of revenue may extend the period of time for 11 12 making such application. When an owner wants to add or delete a name or names on an 13 application for certificate of ownership of a motor vehicle or trailer that would cause it to be 14 inconsistent with the name or names listed on the notice of lien, the owner shall provide the director with documentation evidencing the lienholder's authorization to add or delete a name 15 or names on an application for certificate of ownership. 16

- 2. The director of revenue shall use reasonable diligence in ascertaining whether the facts stated in such application are true and shall, to the extent possible without substantially delaying processing of the application, review any odometer information pertaining to such motor vehicle that is accessible to the director of revenue. If satisfied that the applicant is the lawful owner of such motor vehicle or trailer, or otherwise entitled to have the same registered in his name, the director shall thereupon issue an appropriate certificate over his signature and sealed with the seal of his office, procured and used for such purpose. The certificate shall contain on its face a complete description, vehicle identification number, and other evidence of identification of the motor vehicle or trailer, as the director of revenue may deem necessary, together with the odometer information required to be put on the face of the certificate pursuant to section 407.536, a statement of any liens or encumbrances which the application may show to be thereon, and, if ownership of the vehicle has been transferred, the name of the state issuing the transferor's title and whether the transferor's odometer mileage statement executed pursuant to section 407.536 indicated that the true mileage is materially different from the number of miles shown on the odometer, or is unknown.
- 3. The director of revenue shall appropriately designate on the current and all subsequent issues of the certificate the words "Reconstructed Motor Vehicle", "Motor Change Vehicle", "Specially Constructed Motor Vehicle", or "Non-USA-Std Motor Vehicle", as defined in section 301.010. Effective July 1, 1990, on all original and all subsequent issues of the certificate for motor vehicles as referenced in subsections 2 and 3 of section 301.020, the director shall print on the face thereof the following designation: "Annual odometer updates may be available from the department of revenue.". On any duplicate certificate, the director of revenue shall reprint on the face thereof the most recent of either:
- (1) The mileage information included on the face of the immediately prior certificate and the date of purchase or issuance of the immediately prior certificate; or
- (2) Any other mileage information provided to the director of revenue, and the date the director obtained or recorded that information.
- 4. The certificate of ownership issued by the director of revenue shall be manufactured in a manner to prohibit as nearly as possible the ability to alter, counterfeit, duplicate, or forge such certificate without ready detection. In order to carry out the requirements of this subsection, the director of revenue may contract with a nonprofit scientific or educational institution specializing in the analysis of secure documents to determine the most effective methods of rendering Missouri certificates of ownership nonalterable or noncounterfeitable.
- 5. The fee for each original certificate so issued shall be eight dollars and fifty cents, in addition to the fee for registration of such motor vehicle or trailer. If application for the certificate is not made within thirty days after the vehicle is acquired by the applicant, a

 delinquency penalty fee of twenty-five dollars for the first thirty days of delinquency and twenty-five dollars for each thirty days of delinquency thereafter, not to exceed a total of two hundred dollars, but such penalty may be waived by the director for a good cause shown. If the director of revenue learns that any person has failed to obtain a certificate within thirty days after acquiring a motor vehicle or trailer or has sold a vehicle without obtaining a certificate, he shall cancel the registration of all vehicles registered in the name of the person, either as sole owner or as a co-owner, and shall notify the person that the cancellation will remain in force until the person pays the delinquency penalty fee provided in this section, together with all fees, charges and payments which the person should have paid in connection with the certificate of ownership and registration of the vehicle. The certificate shall be good for the life of the motor vehicle or trailer so long as the same is owned or held by the original holder of the certificate and shall not have to be renewed annually.

- 6. Any applicant for a certificate of ownership requesting the department of revenue to process an application for a certificate of ownership in an expeditious manner requiring special handling shall pay a fee of five dollars in addition to the regular certificate of ownership fee.
- 7. It is unlawful for any person to operate in this state a motor vehicle or trailer required to be registered under the provisions of the law unless a certificate of ownership has been applied for as provided in this section.
- 8. Before an original Missouri certificate of ownership is issued, an inspection of the vehicle and a verification of vehicle identification numbers shall be made by the Missouri state highway patrol on vehicles for which there is a current title issued by another state if a Missouri salvage certificate of title has been issued for the same vehicle but no prior inspection and verification has been made in this state, except that if such vehicle has been inspected in another state by a law enforcement officer in a manner comparable to the inspection process in this state and the vehicle identification numbers have been so verified, the applicant shall not be liable for the twenty-five dollar inspection fee if such applicant submits proof of inspection and vehicle identification number verification to the director of revenue at the time of the application. The applicant, who has such a title for a vehicle on which no prior inspection and verification have been made, shall pay a fee of twenty-five dollars for such verification and inspection, payable to the director of revenue at the time of the request for the application, which shall be deposited in the state treasury to the credit of the state highways and transportation department fund.
- 9. Each application for an original Missouri certificate of ownership for a vehicle which is classified as a reconstructed motor vehicle, specially constructed motor vehicle, kit vehicle, motor change vehicle, non-USA-std motor vehicle, or other vehicle as required by the director of revenue shall be accompanied by a vehicle examination certificate issued by the Missouri state highway patrol, or other law enforcement agency as authorized by the director of revenue. The

vehicle examination shall include a verification of vehicle identification numbers and a determination of the classification of the vehicle. The owner of a vehicle which requires a vehicle examination certificate shall present the vehicle for examination and obtain a completed vehicle examination certificate prior to submitting an application for a certificate of ownership to the director of revenue. Notwithstanding any provision of the law to the contrary, an owner presenting a motor vehicle which has been issued a salvage title and which is eleven years of age or older to a vehicle examination described in this subsection in order to obtain a certificate of ownership with the designation prior salvage motor vehicle, shall not be required to repair or restore the vehicle to its original appearance in order to pass or complete the vehicle examination. The fee for the vehicle examination application shall be twenty-five dollars and shall be collected by the director of revenue at the time of the request for the application and shall be deposited in the state treasury to the credit of the state highways and transportation department fund. If the vehicle is also to be registered in Missouri, the safety inspection required in chapter 307 and the emissions inspection required under chapter 643 shall be completed and the fees required by section 307.365 and section 643.315 shall be charged to the owner.

10. When an application is made for an original Missouri certificate of ownership for a motor vehicle previously registered or titled in a state other than Missouri or as required by section 301.020, it shall be accompanied by a current inspection form certified by a duly authorized official inspection station as described in chapter 307. The completed form shall certify that the manufacturer's identification number for the vehicle has been inspected, that it is correctly displayed on the vehicle and shall certify the reading shown on the odometer at the time of inspection. The inspection station shall collect the same fee as authorized in section 307.365 for making the inspection, and the fee shall be deposited in the same manner as provided in section 307.365. If the vehicle is also to be registered in Missouri, the safety inspection required in chapter 307 and the emissions inspection required under chapter 643 shall be completed and only the fees required by section 307.365 and section 643.315 shall be charged to the owner. This section shall not apply to vehicles being transferred on a manufacturer's statement of origin.

11. Motor vehicles brought into this state in a wrecked or damaged condition or after being towed as an abandoned vehicle pursuant to another state's abandoned motor vehicle procedures shall, in lieu of the inspection required by subsection 10 of this section, be inspected by the Missouri state highway patrol in accordance with subsection 9 of this section. If the inspection reveals the vehicle to be in a salvage or junk condition, the director shall so indicate on any Missouri certificate of ownership issued for such vehicle. Any salvage designation shall be carried forward on all subsequently issued certificates of title for the motor vehicle.

12. When an application is made for an original Missouri certificate of ownership for a motor vehicle previously registered or titled in a state other than Missouri, and the certificate of ownership has been appropriately designated by the issuing state as a reconstructed motor vehicle, motor change vehicle, specially constructed motor vehicle, or prior salvage vehicle, the director of revenue shall appropriately designate on the current Missouri and all subsequent issues of the certificate of ownership the name of the issuing state and such prior designation. The absence of any prior designation shall not relieve a transferor of the duty to exercise due diligence with regard to such certificate of ownership prior to the transfer of a certificate. If a transferor exercises any due diligence with regard to a certificate of ownership, the legal transfer of a certificate of ownership without any designation that is subsequently discovered to have or should have had a designation shall be a transfer free and clear of any liabilities of the transferor associated with the missing designation.

- 13. When an application is made for an original Missouri certificate of ownership for a motor vehicle previously registered or titled in a state other than Missouri, and the certificate of ownership has been appropriately designated by the issuing state as non-USA-std motor vehicle, the director of revenue shall appropriately designate on the current Missouri and all subsequent issues of the certificate of ownership the words "Non-USA-Std Motor Vehicle".
- 14. The director of revenue and the superintendent of the Missouri state highway patrol shall make and enforce rules for the administration of the inspections required by this section.
- 15. Each application for an original Missouri certificate of ownership for a vehicle which is classified as a reconstructed motor vehicle, manufactured forty or more years prior to the current model year, and which has a value of three thousand dollars or less shall be accompanied by:
- (1) A proper affidavit submitted by the owner explaining how the motor vehicle or trailer was acquired and, if applicable, the reasons a valid certificate of ownership cannot be furnished;
- (2) Photocopies of receipts, bills of sale establishing ownership, or titles, and the source of all major component parts used to rebuild the vehicle;
- (3) A fee of one hundred fifty dollars in addition to the fees described in subsection 5 of this section. Such fee shall be deposited in the state treasury to the credit of the state highways and transportation department fund; and
- (4) An inspection certificate, other than a motor vehicle examination certificate required under subsection 9 of this section, completed and issued by the Missouri state highway patrol, or other law enforcement agency as authorized by the director of revenue. The inspection performed by the highway patrol or other authorized local law enforcement agency shall include a check for stolen vehicles. The department of revenue shall issue the owner a certificate of ownership designated with the words "Reconstructed Motor Vehicle" and deliver such certificate of ownership in accordance with the provisions of this chapter. Notwithstanding subsection 9

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of this section, no owner of a reconstructed motor vehicle described in this subsection shall be required to obtain a vehicle examination certificate issued by the Missouri state highway patrol. 163

- 301.194. 1. Notwithstanding any other provision of law, any person who purchases 2 a motor vehicle with a certificate of destruction, junking certificate, salvage certificate, or equivalent, issued by another state, may make an application to the department of revenue 4 for a salvage certificate of title. Prior to making application for a certificate of title on a vehicle under this section, the owner shall have the vehicle inspected by law enforcement as provided in subsection 9 of section 301.190. The application for title shall be accompanied by:
  - (1) A statement explaining the circumstances by which the property came into the owner's possession; a description of the property including the year, make, model, and vehicle identification number; the current location of the property; and the retail value of the property;
- 12 (2) An inspection report of the vehicle by a law enforcement agency under 13 subsection 9 of section 301.190; and
  - (3) The fee prescribed in subsection 5 of section 301.190.
- 15 2. Once the requirements of subsection 1 are satisfied, the director shall issue one of the following: 16
  - (1) An original certificate of title designated as prior salvage if the vehicle examination certificate as provided in section 301.190 indicates the vehicle was previously in a salvaged condition or rebuilt; or
- 20 (2) A salvage certificate of title designated with the words "salvage" or junking 21 certificate based on the condition of the property as stated in the inspection report.

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